



State of Utah

DEPARTMENT OF COMMERCE Committee of Consumer Services

Minutes of the Meeting of the Committee of Consumer Services held
in the Heber M Wells Building, Salt Lake City, Utah 14 November 2006

Dee Jay Hammon called the meeting to order at 9:30 a.m. in 474, 4th floor, Heber M Wells Building, 160 East 300 South, Salt Lake City, Utah.

Members of the Committee in Attendance:

Dee Jay Hammon
Franz Amussen

Kelly Casaday
Betsy Wolf

Robert McMullin

Staff in Attendance:

Dan Gimble
Kevin Hale

Paul Proctor
Ronnie Drake

Reed Warnick
Chris Keyser

Members of the Public in Attendance:

Steven Oberbeck
Francine Giani

Dave Anderton

Gary Robinson

1. Administrative Matters

1.1 Welcome and Apologies for Absence

Dee Jay welcomed all those in attendance.

1.2 Date and Location of Next Committee Meeting

The tentative date scheduled for the next Committee meeting is 12 December 2006.

1.3 Approval of Minutes from Prior Committee Meetings

Kelly Casaday motioned for the Committee to approve the 3 March 2005 and 22 February 2005 meeting minutes. Betsy Wolf seconded the motion and it passed unanimously.

1.4 Letter from Governor Huntsman Nominating Michele Beck to Serve as Committee Director (handout)

2. Public Comment

(Francine Giani) I believe that Michele Beck has a good background in consumer advocacy for this job. Michele understands the issues and is interested in serving the State of Utah and the Committee of Consumer Services. Michele would have made the trip to Utah again, however, due to circumstances (family and location), I felt that a phone interview would be sufficient.

(Michele Beck was connected by phone for the Committee's interview process.)

Question: (Dee Jay) Michele was introduced and asked to review her resume.

Response: (Michele Beck) Reviewed her education and professional experience.

Question: (Dee Jay) Were you involved directly with the Minnesota Public Utility Commission and the Utilities with your first employment with the Division of Energy Policy and Advocacy?

Response: (Michele) I worked with the Division of Energy Policy and Advocacy. The staff, including myself, would argue or present cases to the Minnesota Public Utility Commission. Also I worked with the utility. At times I worked with the utility on settlement; however, complete settlement did not occur often.

Question: (Dee Jay) Did you work with the Utility attorneys on issues?

Response: (Michele) I worked with Attorneys and business professions within the Utility. I worked on rate design, conservation, and resource planning.

Question: (Dee Jay) What experience do you have with natural gas and telecom?

Response: (Michele) I feel that natural gas and electricity are more and more intricately tied together. The early part of this decade, the new development of the electric generators focused on natural gas before the prices went up. Electricity is relying more and more on natural gas. This allowed the understanding of natural gas tariffs and pipeline type issues. Also when working at the Department of Commerce, I was a witness on cost of service on a natural gas rate case. I didn't do any direct work with telecom. I did research on deregulation issues and what worked and didn't work for telecom in Minnesota.

Question: (Dee Jay) When working with legislators on budgets, issues may be presented to the legislators. How do you feel in working in this environment?

Response: (Michele) I feel comfortable in working in political environments. While in Minnesota I worked on legislative reports; however, with the State government in Minnesota, being disproportionately larger, only paid lobbyists had access to legislators. But when a task force was set up I was there when possible to build relationships with key legislators.

Question: (Franz Amussen) How do you view your relationship with the Committee members and how do you see the responsibilities divided between the two.

Response: (Michele) I haven't been able to see how things work at the Committee of Consumer Services. However, it seems that the Committee Members act somewhat like a board of directors and being there to direct policy.

The Director of the Committee is more the person who will enact the policy. I'm interested in coming down there, meeting you and understanding the role you would like to have. I understand there is a staff, there's a Committee and all these relationships. I will come in with a fresh perspective and hope to be able to pull things together.

Question: (Betsy Wolf) I have a couple of questions with various aspects of your work. You worked with other agencies of state government, what is your experience in working with stakeholder groups? What do you expect to do here in that capacity?

Response: (Michele) Stakeholders groups are a critical part of the whole utility regulatory system. Even when you have a strong consumer advocate perspective in the community, there is still something missing that they fill. Here we have strong low-income advocates; we need to have a close working relationship with them. Without them we would be missing something in the puzzle. Some environmental advocate groups I have worked with in the past have had far extreme views, some of their perspectives I've understood. I think having that strong presence impacts the policy. When I worked as a cooperative, at least 90% of our board of directors were farmers. I have a strong background in agricultural issues.

Question: (Betsy) I know you've been with Excel Energy the shortest amount of time, but it is a multi-state utility. Do you have experience with the issues and challenges with inter-jurisdictional allocation issues and working with multi-state utility?

Response: (Michele) Yes, I was working at the Department of Commerce when the Excel merger went through. We have not experienced a lot of challenges on jurisdictional allocation, per se, maybe in other states but Minnesota has the strongest regulatory presence. Another issue that is significant or important to watch is where the utility presence is when they operate in multiple states. It is easy for the utility to declare it has a presence in every state but its important to note what type of presence it has in each state.

Question: (Kelly) I have a couple of questions: How comfortable are you with working with the media? Have you any experience in that?

Response: (Michele) I've done quite a number of phone interviews and public meetings. We held a series of stakeholder meetings, which included members of the public. When I was with the cooperative—when we had state policy issues—I would speak to customer groups.

Question: (Kelly) One of the things the Committee is tasked with doing is to ensure low-cost and dependable service for the majority of customers. Sometimes that runs counter with other groups. Some other groups advocate positions that are not for the lowest cost or most reliable service. Do you have a problem separating yourself and finding the best solution for the majority of people?

Response: (Michele) No, I don't think I do. I've work with political influence or power. Just because you're an advocate or liberal doesn't mean that

everything is appropriate. I see inconsistency with that. I think we all have problems separating it. I take a step back and ask what my position is or what my role is. I don't just look at the here and now, I take a long-term view.

Question: (Robert) My questions have been answered. I represent the irrigators and farmers. My only question is, do you like apples?

Response: (Michele) Yes, I do like apples.

Response: (Robert) Good, you've got my vote.

Question: (Dee Jay) How do you see yourself working in a technical environment?

Response: (Michele) I worked with a board of 26 farmers, I explained to them the very complex world of regional transmission organization. It's important to communicate the issues in a language that the public understands. I'm familiar with working in this situation.

Question: (Franz) One of our previous directors had a strong opinion that the Committee should be educated in the issues and made an effort to make sure we had education opportunities to do that. What is your attitude towards making sure the Committee is up to snuff on these issues?

Response: (Michele) I agree with you, it is their responsibility to understand the issues and if I am chosen as your director, I will facilitate that and make it easy for you.

Question: (Franz) We used to be involved with NASUCA? How do you see our Committee being involved or participating with other groups?

Response: (Michele) There is a lot to be learned from other groups. A functional organization, worthy of our time, participation would be beneficial.

Question: (Kelly) Assuming you are confirmed by the Committee, how soon will you be available to start—the Utah Legislative Session starts right away?

Response: (Michele) I envision getting to Utah in December, more the middle of December.

Question: (Betsy) We've gone through a lot of turmoil the last year or two. This is a position that requires a strong leader who wants longevity. Can you address this?

Response: (Michele) Have many of you have done a cross-country move? I'm not going through all of this for any short time period. I look at this as a long-term opportunity or I wouldn't be going through it.

Question: (Dee Jay) Any other questions? No further questions.

Kelly Cassaday made a motion to go into closed session; Robert seconded the motion and it passed unanimously.

3. Closed Meeting – Personnel Matters and Pending or Reasonably Imminent Litigation

4. Motions on Matters Discussed in Closed Meeting

Kelly Casaday motioned for the Committee of Consumer Services to concur with the Governors appointment of Michele Beck as the Staff Director for the Committee of

Consumer Services. Robert McMullin seconded the motion and it passed unanimously.

5. Other Business

Franz Amussen proposed that the meeting adjourn. The meeting ended at 11:30am.